

NEW HAMPSHIRE STATE LIQUOR COMMISSION

MINUTES OF MEETING – DECEMBER 23, 2003

PRESENT: Chairman Anthony Maiola and Commissioner John Byrne; John Bunnell, Administrator of Marketing & Sales; Aidan Moore, Chief of Enforcement; Howard Roundy, Director of Information Technology; Craig Bulkley, Bureau Chief of Administrative Services; George Tsiopras, Chief Financial Officer. Guests: Al Picconi, United Beverages, Inc.

(This meeting was called to address agenda items which needed attention which could not be postponed until the January meeting. All members were not required to attend.)

I. FINANCIAL & ADMINISTRATIVE REPORTS

1. Financial Reports:

Craig reported that over 600 gift certificates had been sold this season. There was some discussion as to whether the gift card report was showing true sales figures.

2. IT Report:

It was moved by Commissioner Maiola, seconded by Commissioner Byrne, that the Commission accept the bid from Data Capture Solutions to provide 220 HHP Dolphin 9500 hand-held computers at a cost of \$145,000 in FY04 and \$160,000 in FY05, as recommended by Howard Roundy, Director of Information Technology. The motion was unanimously adopted.

II. MARKETING & SALES REPORTS

1. Store Operations: No report given.

2. Purchasing Report:

John Bunnell said that everything is in good shape regarding out-of-stocks, with the exception of some Frederick Wildman products.

3. Merchandising Report:

A. SPIRITS:

1) Super Bowl Sale:

It was moved by Commissioner Byrne, seconded by Commissioner Maiola, that Commissioner approve thirty-one (31) spirit items to be featured on sale during the upcoming Super Bowl Sale, scheduled for Thursday, January 22 through Sunday, February 1, 2004, as recommended by Richard Gerrish, Spirits Marketing Specialist and concurred by John Bunnell, Administrator of Marketing & Sales. The motion was unanimously adopted.

- 2) Appeal of Marie Brizard Watermelon – Delisting:

It was moved by Commissioner Byrne, seconded by Commissioner Maiola, that the Commission deny an appeal from United Beverages, Inc. to the delisting on December 17, 2003 of test market Code #5153, Marie Brizard Watermelon, 750ML size, as recommended by Richard Gerrish, Spirits Marketing Specialist and concurred by John Bunnell, Administrator of Marketing & Sales. The motion was unanimously adopted.

- 3) February/March Special Offer (1 item – Phoenix Marketing):

It was moved by Commissioner Maiola, seconded by Commissioner Byrne, that the Commission approve a special offer from Phoenix Marketing, based upon depletions of one (1) spirit item, to be featured on sale during February and March 2004, as recommended by Richard Gerrish, Spirits Marketing Specialist and concurred by John Bunnell, Administrator of Marketing & Sales. The motion was unanimously adopted.

- 4) February Special Offers:

- a. 4 items – Perfecta Wine Company:

It was moved by Commissioner Maiola, seconded by Commissioner Byrne, that the Commission approve special offers from Perfecta Wine Company, based upon depletions of four (4) spirit items, to be featured on sale during February 2004, as recommended by Richard Gerrish, Spirits Marketing Specialist and concurred by John Bunnell, Administrator of Marketing & Sales. The motion was unanimously adopted.

- b. 5 items – Pine State Trading Company:

It was moved by Commissioner Byrne, seconded by Commissioner Maiola, that the Commission approve special offers from Pine State Trading Company, based upon depletions of five (5) spirit items, to be featured on sale during February 2004, as recommended by Richard Gerrish, Spirits Marketing Specialist and concurred by John Bunnell, Administrator of Marketing & Sales. The motion was unanimously adopted.

- c. 49 items – Executive Wine/Martignetti Companies of N.H.:

It was moved by Commissioner Byrne, seconded by Commissioner Maiola, that the Commission approve special offers from Executive Wine & Spirits/Martignetti Companies of N.H., based upon depletions of forty-nine (49) spirit items, to be featured on sale during February 2004, as recommended by Richard Gerrish, Spirits Marketing Specialist and

seconded by John Bunnell, Administrator of Marketing & Sales. The motion was unanimously adopted.

- d. 90 items – Horizon Beverage Company:

It was moved by Commissioner Byrne, seconded by Commissioner Maiola, that the Commission approve special offers from Horizon Beverage Company, based upon depletions of ninety (90) spirit items, to be featured on sale during February 2004, as recommended by Richard Gerrish, Spirits Marketing Specialist and concurred by John Bunnell, Administrator of Marketing & Sales. The motion was unanimously adopted.

- e. 110 items – United Beverages, Inc.:

It was moved by Commissioner Byrne, seconded by Commissioner Maiola, that the Commission approve special offers from United Beverages, Inc., based upon depletions of one hundred and ten (110) spirit items, to be featured on sale during February 2004, as recommended by Richard Gerrish, Spirits Marketing Specialist and concurred by John Bunnell, Administrator of Marketing & Sales. The motion was unanimously adopted.

- f. 1 additional item – United Beverages, Inc.:

It was moved by Commissioner Byrne, seconded by Commissioner Maiola, that the Commission approve an additional special offer from United Beverages, Inc., based upon depletions of one (1) spirit item, without matching funds, to be featured on sale during February 2004, as recommended by Richard Gerrish, Spirits Marketing Specialist and concurred by John Bunnell, Administrator of Marketing & Sales. The motion was unanimously adopted.

- g. 3 revised offers – United Beverages, Inc.:

It was moved by Commissioner Byrne, seconded by Commissioner Maiola, that the Commission approve revised special offers from United Beverages, Inc., based upon depletions of three (3) spirit items, without matching funds, to be featured on sale during February 2004, as recommended by Richard Gerrish, Spirits Marketing Specialist and concurred by John Bunnell, Administrator of Marketing & Sales. The motion was unanimously adopted.

B. WINES:

- 1) Special Offers for February 2004:

- a. 17 items – M.S. Walker, Inc.:

It was moved by Commissioner Byrne, seconded by Commissioner Maiola, that the Commission approve special offers from M.S. Walker, Inc., based upon depletions of seventeen (17) wine items, to be featured on sale during February 2004, as recommended by Nicole Horton, Wine Marketing Specialist and concurred by John Bunnell, Administrator of Marketing & Sales. The motion was unanimously adopted.

- b. 39 items – Executive Wine & Spirits:

It was moved by Commissioner Byrne, seconded by Commissioner Maiola, that the Commission approve special offers from Executive Wine & Spirits, based upon depletions of thirty-nine (39) wine items, to be featured on sale during February 2004, as recommended by Nicole Horton, Wine Marketing Specialist and concurred by John Bunnell, Administrator of Marketing & Sales. The motion was unanimously adopted.

- c. 87 items – United Beverages, Inc.:

It was moved by Commissioner Byrne, seconded by Commissioner Maiola, that the Commission approve special offers from United Beverages, Inc., based upon depletions of eighty-seven (87) wine items, to be featured on sale during February 2004, as recommended by Nicole Horton, Wine Marketing Specialist and concurred by John Bunnell, Administrator of Marketing & Sales. The motion was unanimously adopted.

- 2) New Hampshire State Liquor Commission 2004 Wine Tastings:

It was moved by Commissioner Byrne, seconded by Commissioner Maiola, that the Commission approve two additional wine tastings for 2004, the Mt. Washington Valley Chamber of Commerce (Thursday, May 6) and the Berlin Main Street Program (Thursday, October 28), as recommended by Nicole Horton, Wine Marketing Specialist and concurred by John Bunnell, Administrator of Marketing & Sales. The motion was unanimously adopted.

- 3) Revised Martignetti In-Store Wine Tastings:

It was moved by Commissioner Byrne, seconded by Commissioner Maiola, that the Commission approve revisions to in-store tastings previously approved for Martignetti Companies of N.H., as recommended by Nicole Horton, Wine Marketing Specialist and concurred by John Bunnell, Administrator of Marketing & Sales. The motion was unanimously adopted.

4) Close Out:

It was moved by Commissioner Byrne, seconded by Commissioner Maiola, that the Commission approve close out pricing on eight (8) David Frost wines, as recommended by Nicole Horton, Wine Marketing Specialist and concurred by John Bunnell, Administrator of Marketing & Sales. The motion was unanimously adopted.

5) Spring Program – Uncork the Cash:

Commissioner Byrne had previously discussed the item “Spring Program – Uncork the Cash” with Commissioner Russell, and said both of them were in favor of holding a meeting next Tuesday, December 30 to address it at that time. Therefore, this item was tabled. Later on Tuesday, December 23, it was moved by Commissioner Byrne, seconded by Commissioner Maiola, that this item be removed from the table, and that the Commission approve the offer from Martignetti Companies of N.H. to sponsor this program during March, April and May 2004 on behalf of Robert Mondavi, Sutter Home, Kendall-Jackson, South Corp and Cavit wineries. The motion was unanimously adopted.

6) Recommended Allocated Wines for Distribution to Selected Stores (6 items):

It was moved by Commissioner Byrne, seconded by Commissioner Maiola, that the Commission approve six (5) wine items to be designated as allocated wines for distribution to selected stores, as recommended by Nicole Horton, Wine Marketing Specialist and concurred by John Bunnell, Administrator of Marketing & Sales. The motion was unanimously adopted.

7) Primary Source Submissions (1 – primary source; 5 – exclusive agent; 16 – imported):

It was moved by Commissioner Byrne, seconded by Commissioner Maiola, that the Commission approve the listing of one (1) wine code which is from primary source, five (5) wine codes which are not from primary source, but are offered by the exclusive marketing agent, and sixteen (16) wine codes which are not from primary source, but are imported, as recommended by Nicole Horton, Wine Marketing Specialist and concurred by John Bunnell, Administrator of Marketing & Sales. The motion was unanimously adopted.

III. ENFORCEMENT & LICENSING REPORTS – None.

IV. CHAIRMAN’S REPORT & LATE ITEMS

1. Bailment Requests:

It was moved by Commissioner Byrne, seconded by Commissioner Maiola, that the Commission approve all previously reviewed requests for bailment releases/transfers dated December 18 through December 23, 2003. The motion was unanimously adopted.

2. Coupon Approvals:

It was moved by Commissioner Byrne, seconded by Commissioner Maiola, that the Commission approve all previously reviewed requests for coupon (pad, necker and consumer offer) approvals for the month of January 2004. The motion was unanimously adopted.

3. Late Items – None.

Anthony C. Maiola, Chairman

John W. Byrne, Commissioner

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